

## GAAP Balance Sheet - 4Q03 & 1Q08

\$ in millions

|   | Q4 '03         | Q1 '08         | % Δ         |   | Q4 '03         | Q1 '08         | % Δ         |
|---|----------------|----------------|-------------|---|----------------|----------------|-------------|
| <b>ASSETS</b>   |                |                |             | <b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>                     |                |                |             |
| Cash and Cash equivalents   | 7,922          | 7,564          | -5%         | Short-term borrowings and current portion of long-term borrowings | 9,975          | 34,524         | 246%        |
| Cash and securities segregated and on deposit for regulatory and other purposes | 3,100          | 16,569         | 434%        | Government & agencies   | 44,150         | 108,759        | 146%        |
| Government & Agencies   | 31,666         | 44,574         | 41%         | Commercial Paper & Other Money Mkt Instruments                    | 59             | 12             | -80%        |
| Commercial Paper & Other Money Mkt Instruments                                  | 4,287          | 3,433          | -20%        | Mortgage and Asset-Backed Securities                              | 101            | 552            | 447%        |
| Physical Commodities  | -              | 169            | N/A         | Corporate debt and other  | 5,791          | 8,738          | 51%         |
| Mortgage and Asset-Backed Securities & Real Estate                              | 38,957         | 107,171        | 175%        | Corporate equities  | 10,935         | 41,035         | 275%        |
| Corporate debt and other  | 20,069         | 59,581         | 197%        | Derivatives and other contractual agreements                      | 11,440         | 37,807         | 230%        |
| Corporate equities  | 22,889         | 56,118         | 145%        | <b>Inventory Subtotal</b>   | <b>72,476</b>  | <b>196,903</b> | <b>172%</b> |
| Derivatives and other contractual agreements                                    | 15,766         | 55,612         | 253%        | Obligation to return securities received as collateral            | 3,406          | -              | N/A         |
| <b>Inventory Subtotal</b>   | <b>133,634</b> | <b>326,658</b> | <b>144%</b> | Securities sold under agreements to repurchase                    | 107,304        | 197,128        | 84%         |
| Securities received as collateral   | 3,406          | -              | N/A         | Securities loaned   | 13,988         | 54,847         | 292%        |
| Securities purchased under agreements to resell                                 | 87,416         | 210,166        | 140%        | Other secured borrowings  | 14,544         | 24,539         | 69%         |
| Securities borrowed   | 51,396         | 158,515        | 208%        | <b>Collateralized Financings Subtotal</b>                         | <b>135,836</b> | <b>276,514</b> | <b>104%</b> |
| <b>Collateralized Lendings Subtotal</b>   | <b>138,812</b> | <b>368,681</b> | <b>166%</b> | Payables - Brokers, dealers and clearing organizations            | 3,067          | 11,717         | 282%        |
| Receivables - Brokers, Dealer and Clearing organizations                        | 4,875          | 11,915         | 144%        | Payables - Customers  | 27,666         | 72,835         | 163%        |
| Receivables - Customers   | 8,809          | 37,298         | 323%        | Accrued liabilities and other payables                            | 9,266          | 11,596         | 25%         |
| Receivables - Other   | 1,626          | 3,186          | 96%         | <b>Payables Subtotal</b>  | <b>39,999</b>  | <b>96,148</b>  | <b>140%</b> |
| <b>Receivables Subtotal</b>   | <b>15,310</b>  | <b>52,399</b>  | <b>242%</b> | Deposits at Banks   | -              | 28,829         | N/A         |
| Property, equipment and leasehold improvements                                  | 2,806          | 4,189          | 49%         | Senior notes  | 33,885         | 112,128        | 231%        |
| Other assets  | 3,510          | 5,863          | 67%         | Subordinated notes  | 1,158          | 11,181         | 866%        |
| Identified intangible assets and goodwill                                       | 3,561          | 4,112          | 15%         | Junior subordinated notes   | 842            | 4,976          | 491%        |
| <b>TOTAL ASSETS</b>   | <b>312,061</b> | <b>786,035</b> | <b>152%</b> | <b>Long-term borrowings</b>                                       | <b>35,885</b>  | <b>128,285</b> | <b>257%</b> |
|   |                |                |             | <b>TOTAL LIABILITIES</b>  | <b>297,577</b> | <b>761,203</b> | <b>156%</b> |
|   |                |                |             | Commitments and contingencies                                     | -              | -              | N/A         |
|   |                |                |             | Preferred Securities subject to mandatory redemption              | 1,310          | -              | N/A         |
|   |                |                |             | Preferred Stock   | 1,045          | 2,993          | 186%        |
|   |                |                |             | Total Common Stockholders' Equity                                 | 12,129         | 21,839         | 80%         |
|   |                |                |             | <b>TOTAL STOCKHOLDERS EQUITY</b>                                  | <b>13,174</b>  | <b>24,832</b>  | <b>88%</b>  |
|   |                |                |             | <b>TOTAL LIABILITIES &amp; STOCKHOLDERS EQUITY</b>                | <b>312,061</b> | <b>786,035</b> | <b>152%</b> |
| Cash and securities segregated and on deposit for regulatory and other purposes | (3,100)        | (16,569)       | 434%        | Gross Leverage  | 23.7x          | 31.7x          | 34%         |
| Collateralized Agreements   | (142,218)      | (368,681)      | 159%        | Net Leverage  | 15.3x          | 15.4x          | 1%          |
| Identified intangible assets and goodwill                                       | (3,561)        | (4,112)        | 15%         |   |                |                |             |
| <b>NET ASSETS</b>   | <b>163,182</b> | <b>396,673</b> | <b>143%</b> |   |                |                |             |

Balance Sheet by Business

|  | Net Balance Sheet |              | Gross Balance Sheet |              | BPM Revenue    |                | RROA        |             |
|--|-------------------|--------------|---------------------|--------------|----------------|----------------|-------------|-------------|
|  | FY 2003           | Q1 '08       | FY 2003             | Q1 '08       | FY 2003        | Q1 '08         | FY 2003     | Q1 '08      |
| Total FID                                | 108.1             | 259.5        | 220.6               | 498.9        | 5,064.7        | 978.3          | 4.7%        | 1.5%        |
| FID Core                                 | 106.8             | 248.1        | 151.3               | 366.8        | 4,666.1        | 611.0          | 4.4%        | 1.0%        |
| Int Rate Products                        | 22.2              | 52.0         | 50.4                | 154.0        | 1,161.1        | 1,000.8        | 5.2%        | 7.7%        |
| High Grade                               | 11.2              | 11.3         | 17.2                | 14.6         | 686.4          | 665.9          | 6.1%        | 23.5%       |
| Emerging Markets                         | -                 | -            | -                   | -            | -              | -              | N/A         | N/A         |
| CDO                                      | 1.6               | 11.0         | 1.8                 | 11.2         | 232.6          | 50.5           | 14.2%       | 1.8%        |
| Pass Thru                                | -                 | -            | -                   | -            | -              | -              | N/A         | N/A         |
| Real Estate                              | 20.2              | 65.0         | 21.1                | 65.7         | 451.9          | (1,226.5)      | 2.2%        | -7.6%       |
| Securitized Products                     | 37.2              | 62.1         | 43.8                | 65.1         | 1,369.8        | (270.9)        | 3.7%        | -1.7%       |
| High Yield                               | 2.4               | 14.6         | 3.1                 | 16.2         | 609.3          | 441.3          | 25.3%       | 12.1%       |
| Munis                                    | 2.9               | 9.5          | 3.0                 | 10.2         | 471.1          | (206.1)        | 16.1%       | -8.7%       |
| Commodities                              | -                 | 3.7          | -                   | 4.0          | -              | 52.4           | N/A         | 5.6%        |
| Foreign Exchange                         | 1.6               | 6.3          | 1.6                 | 6.4          | 127.9          | 208.3          | 8.0%        | 13.1%       |
| FID Corp                                 | 6.2               | 2.2          | 7.4                 | 9.1          | (444.1)        | (104.7)        | -7.1%       | -18.7%      |
| FID Corp Loans                           | 0.8               | 3.3          | 1.1                 | 3.3          | -              | -              | 0.0%        | 0.0%        |
| Invest Banking Loans                     | 0.4               | 7.0          | 0.7                 | 7.0          | -              | -              | 0.0%        | 0.0%        |
| FID Prime Services                       | 1.3               | 11.4         | 69.3                | 132.1        | 398.6          | 367.3          | 29.8%       | 12.9%       |
| Total Equities                           | 38.2              | 86.0         | 66.2                | 188.8        | 2,005.6        | 1,414.9        | 5.3%        | 6.6%        |
| Equities Core                            | 21.4              | 48.8         | 28.0                | 60.4         | 1,626.3        | 1,127.3        | 7.6%        | 9.2%        |
| Execution Services / Liquid Markets      | 2.1               | 9.3          | 2.4                 | 14.9         | 1,129.8        | 850.9          | 54.8%       | 36.7%       |
| Convertible Products                     | 2.6               | 2.7          | 3.0                 | 3.3          | 213.3          | 23.3           | 8.4%        | 3.4%        |
| Volatility                               | 11.2              | 29.2         | 14.3                | 33.2         | 197.5          | 352.1          | 1.8%        | 4.8%        |
| Equity Strategies                        | 2.6               | 4.2          | 2.8                 | 5.4          | 115.2          | 13.8           | 4.4%        | 1.3%        |
| Firm Relationship Loans                  | 0.8               | 2.8          | 1.0                 | 2.8          | -              | -              | 0.0%        | 0.0%        |
| Equity Corporate                         | 2.3               | 0.5          | 4.5                 | 0.8          | (29.5)         | (112.7)        | -1.3%       | -83.1%      |
| Equities Prime Services                  | 16.7              | 37.2         | 38.2                | 128.4        | 379.3          | 287.6          | 2.3%        | 3.1%        |
| Principal Investing                      | 3.2               | 14.7         | 3.4                 | 16.7         | 628.4          | 211.6          | 19.7%       | 5.8%        |
| IMD                                      | 1.9               | 13.7         | 7.1                 | 17.0         | 187.6          | (125.4)        | 9.9%        | -3.7%       |
| Non Core                                 | 11.8              | 22.9         | 14.9                | 64.6         | 760.6          | 1,027.2        | 6.4%        | 18.0%       |
| <b>Total Net Balance Sheet</b>           | <b>163.2</b>      | <b>396.7</b> | <b>312.1</b>        | <b>786.0</b> | <b>8,647.0</b> | <b>3,506.6</b> | <b>5.3%</b> | <b>3.5%</b> |
| <i>SHADOW PRIME SERVICES</i>             |                   |              |                     |              |                |                |             |             |
| Total FID Prime Services (Net):          | 1.3               | 11.4         | 69.3                | 132.1        | 398.6          | 367.3          | 29.8%       | 12.9%       |
| Total Equities GCS Prime Services (Net): | 16.7              | 37.2         | 38.2                | 128.4        | 379.3          | 287.6          | 2.3%        | 3.1%        |
| <b>TOTAL PRIME SERVICES NET</b>          | <b>18.1</b>       | <b>48.6</b>  | <b>107.4</b>        | <b>260.5</b> | <b>777.9</b>   | <b>654.9</b>   | <b>4.3%</b> | <b>5.4%</b> |

## Competitor Benchmarking

|                 | Leverageable Equity (5 Quarter Average) |        |        |        |        | Net Leverage |       |       |       |       |
|-----------------|---|--------|--------|--------|--------|--------------|-------|-------|-------|-------|
|                 | 2003                                    | 2004   | 2005   | 2006   | 2007   | 2003         | 2004  | 2005  | 2006  | 2007  |
| Lehman Brothers | 10,289                                  | 11,713 | 14,175 | 17,218 | 21,041 | 14.9x        | 14.6x | 13.5x | 13.8x | 15.6x |
| Goldman Sachs   | 15,209                                  | 20,402 | 23,785 | 28,719 | 37,244 | 13.7x        | 12.0x | 13.5x | 14.4x | 14.7x |
| Morgan Stanley  | 23,946                                  | 27,795 | 28,877 | 33,011 | 36,895 | 12.4x        | 12.4x | 12.7x | 13.9x | 15.8x |
| Bear Stearns    | 7,140                                   | 8,062  | 9,664  | 11,401 | 12,576 | 12.9x        | 13.5x | 15.5x | 16.2x | 19.4x |
| Merrill Lynch   | 23,361                                  | 27,525 | 29,874 | 35,357 | 38,543 | 14.2x        | 13.8x | 13.8x | 12.4x | 14.6x |

<sup>(1)</sup> Morgan Stanley's revenues exclude Discover Financial Services

## Competitor Ben

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|                 | Net Assets (5 Quarter Average) |         |         |         |         | Revenues <sup>(1)</sup> |        |        |        |
|-----------------|--------------------------------|---------|---------|---------|---------|-------------------------|--------|--------|--------|
|                 | 2003                           | 2004    | 2005    | 2006    | 2007    | 2003                    | 2004   | 2005   | 2006   |
| Lehman Brothers | 153,503                        | 171,353 | 191,646 | 237,510 | 327,492 | 8,647                   | 11,576 | 14,630 | 17,583 |
| Goldman Sachs   | 208,228                        | 243,869 | 321,186 | 413,749 | 545,694 | 16,023                  | 20,951 | 25,238 | 37,665 |
| Morgan Stanley  | 296,239                        | 343,295 | 366,584 | 460,077 | 584,411 | 17,621                  | 20,319 | 23,525 | 29,839 |
| Bear Stearns    | 91,877                         | 108,583 | 149,705 | 184,697 | 243,771 | 5,994                   | 6,813  | 7,411  | 9,227  |
| Merrill Lynch   | 332,897                        | 380,573 | 412,718 | 440,195 | 561,525 | 19,900                  | 22,059 | 25,277 | 33,781 |

<sup>(1)</sup> Morgan Stanley's revenues ex

## Competitor Ben

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|                 |        | Revenue Return on Assets |      |      |      |      |
|-----------------|--------|--------------------------|------|------|------|------|
|                 | 2007   | 2003                     | 2004 | 2005 | 2006 | 2007 |
| Lehman Brothers | 19,257 | 5.6%                     | 6.8% | 7.6% | 7.4% | 5.9% |
| Goldman Sachs   | 45,987 | 7.7%                     | 8.6% | 7.9% | 9.1% | 8.4% |
| Morgan Stanley  | 28,026 | 5.9%                     | 5.9% | 6.4% | 6.5% | 4.8% |
| Bear Stearns    | 5,945  | 6.5%                     | 6.3% | 5.0% | 5.0% | 2.4% |
| Merrill Lynch   | 11,250 | 6.0%                     | 5.8% | 6.1% | 7.7% | 2.0% |

<sup>(1)</sup> Morgan Stanley's revenues ex

Daily Net Average Assets

| Lehman Brothers<br>Balance Sheet<br>Consolidated | 11/2/2003      | 11/4/2003      | 11/5/2003      | 11/5/2003      | 11/7/2003      | 11/10/2003     | 11/11/2003     | 11/12/2003     | 11/13/2003     | 11/14/2003     | 11/17/2003     | 11/18/2003     | 11/19/2003     | 11/20/2003     | 11/21/2003     | 11/22/2003     | 11/25/2003     | 11/26/2003     | 11/27/2003     | Final<br>11/29/2003 | Average        |                          |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------------|----------------|--------------------------|
| Government                                       | 18,561         | 19,641         | 19,322         | 17,788         | 16,842         | 17,440         | 17,466         | 18,379         | 17,958         | 17,591         | 18,264         | 19,440         | 17,864         | 17,480         | 17,190         | 16,817         | 13,705         | 13,100         | 12,833         | 13,183              | 17,220         | Rate                     |
| Derivative                                       | 8,525          | 8,997          | 8,863          | 9,035          | 9,279          | 9,196          | 9,196          | 9,231          | 9,775          | 9,754          | 10,000         | 9,996          | 10,895         | 10,592         | 9,994          | 9,406          | 9,290          | 9,807          | 9,892          | 9,920               | 9,920          | Rate                     |
| High Grade Debt                                  | 16,817         | 16,502         | 16,489         | 16,176         | 15,912         | 14,625         | 14,403         | 15,339         | 15,241         | 17,223         | 17,026         | 16,972         | 13,216         | 11,544         | 10,901         | 13,618         | 12,448         | 11,954         | 11,436         | 14,981              | 14,981         | High Grade Debt          |
| CCO  | 1,229          | 1,244          | 1,230          | 1,208          | 1,287          | 1,309          | 1,310          | 1,812          | 1,549          | 1,546          | 1,672          | 1,682          | 1,451          | 1,438          | 1,420          | 1,617          | 1,519          | 1,937          | 1,634          | 1,440               | 1,440          | CCO                      |
| Mortgage Trading                                 | 31,892         | 32,108         | 31,865         | 32,383         | 35,070         | 33,665         | 33,665         | 33,946         | 41,766         | 37,467         | 36,630         | 39,308         | 36,798         | 37,499         | 36,193         | 32,621         | 29,209         | 28,660         | 31,436         | 34,414              | 34,414         | Structured Products      |
| Real Estate                                      | 20,115         | 20,136         | 20,151         | 20,234         | 20,990         | 20,990         | 20,990         | 20,990         | 20,852         | 20,379         | 20,461         | 20,067         | 19,781         | 19,798         | 19,200         | 19,242         | 19,306         | 19,272         | 20,195         | 20,198              | 20,198         | Real Estate              |
| Structured Finance                               | 6,016          | 6,180          | 6,128          | 6,093          | 6,062          | 6,099          | 6,091          | 6,042          | 6,094          | 6,238          | 6,275          | 6,117          | 6,063          | 6,120          | 6,757          | 6,947          | 6,920          | 6,764          | 6,977          | 6,921               | 6,921          | Structured Products      |
| Firm Financing                                   | 11,624         | 15,713         | 16,166         | 15,396         | 14,471         | 15,957         | 15,954         | 17,992         | 14,696         | 16,046         | 13,304         | 11,696         | 12,499         | 8,263          | 6,729          | 5,021          | 5,202          | 5,307          | 1,899          | 11,901              | 11,901         | Firm Financing           |
| High Yield                                       | 2,073          | 2,020          | 2,068          | 2,095          | 2,111          | 2,090          | 2,091          | 2,074          | 2,095          | 2,009          | 2,015          | 2,041          | 2,023          | 2,061          | 2,065          | 2,099          | 2,096          | 2,098          | 2,406          | 2,094               | 2,094          | High Yield               |
| Municipal Bonds                                  | 1,907          | 1,906          | 1,924          | 1,952          | 1,959          | 1,935          | 1,936          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935          | 1,935               | 1,935          | Municipal                |
| Private/Sec                                      | 84             | 84             | 84             | 83             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84                  | 84             | Private/Sec              |
| Derivative - Multi                               | 2,299          | 2,299          | 2,294          | 2,294          | 2,293          | 2,294          | 2,294          | 2,303          | 2,294          | 2,295          | 2,311          | 2,297          | 2,047          | 2,040          | 2,039          | 2,030          | 2,030          | 2,030          | 1,977          | 2,194               | 2,194          | Multi                    |
| Foreign Exchange                                 | 1,690          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696          | 1,696               | 1,696          | Foreign Exchange         |
| FD Corporate                                     | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275          | 7,275               | 7,275          | FD Corporate             |
| FD Corp Loans                                    | 821            | 896            | 791            | 784            | 755            | 743            | 743            | 740            | 738            | 773            | 777            | 740            | 753            | 751            | 738            | 738            | 734            | 719            | 735            | 759                 | 759            | FD Corp Loans            |
| Insurance Products Group                         | 137            | 136            | 136            | 136            | 136            | 136            | 136            | 136            | 136            | 136            | 142            | 141            | 141            | 140            | 139            | 139            | 139            | 139            | 139            | 139                 | 139            | Insurance Products       |
| Trade Debt Hedge                                 | 1,690          | 1,690          | 1,690          | 1,690          | 0              | 0              | 0              | 0              | 0              | 746            | 0              | 0              | 0              | 0              | 0              | 1,690          | 0              | 602            | 1,647          | 592                 | 592            | FD Corporate             |
| Investment Banking Loans                         | 579            | 525            | 509            | 500            | 472            | 480            | 465            | 462            | 460            | 436            | 440            | 406            | 417            | 426            | 414            | 405            | 401            | 399            | 404            | 440                 | 440            | Investment Banking Loans |
| Unallocated                                      | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0                   | 0              |                          |
| <b>Total FD</b>                                  | <b>103,251</b> | <b>106,654</b> | <b>109,338</b> | <b>109,825</b> | <b>109,936</b> | <b>109,635</b> | <b>109,269</b> | <b>111,578</b> | <b>111,580</b> | <b>113,886</b> | <b>109,905</b> | <b>109,698</b> | <b>109,255</b> | <b>107,762</b> | <b>106,028</b> | <b>100,890</b> | <b>100,514</b> | <b>109,724</b> | <b>109,105</b> | <b>107,870</b>      | <b>107,870</b> |                          |
| Cash Products                                    | 846            | 924            | 701            | 702            | 727            | 846            | 741            | 718            | 675            | 695            | 803            | 650            | 912            | 840            | 989            | 722            | 751            | 800            | 725            | 754                 | 754            | Lehman/Other Div         |
| Commodity Products                               | 2,640          | 2,654          | 2,521          | 2,646          | 2,547          | 2,668          | 2,660          | 2,666          | 2,669          | 2,672          | 2,669          | 2,642          | 2,481          | 2,473          | 2,492          | 2,603          | 2,636          | 2,664          | 2,660          | 2,638               | 2,638          | Commodity                |
| Volatility                                       | 10,613         | 10,733         | 11,261         | 11,049         | 11,104         | 10,788         | 10,883         | 10,889         | 10,889         | 11,003         | 11,163         | 11,222         | 11,003         | 10,904         | 10,915         | 11,083         | 10,912         | 11,200         | 11,161         | 10,909              | 10,909         | Volatility               |
| Relative Value                                   | 279            | 271            | 264            | 266            | 308            | 309            | 322            | 335            | 333            | 344            | 366            | 364            | 366            | 371            | 370            | 379            | 371            | 382            | 368            | 338                 | 338            | Lehman/Other Div         |
| Other  | 356            | 372            | 406            | 401            | 402            | 402            | 401            | 395            | 396            | 390            | 389            | 389            | 389            | 389            | 388            | 380            | 380            | 382            | 385            | 390                 | 390            | Private Equity           |
| Portfolio  | 543            | 531            | 566            | 571            | 556            | 1,025          | 1,046          | 1,117          | 1,099          | 1,018          | 962            | 962            | 919            | 900            | 900            | 916            | 909            | 1,021          | 974            | 904                 | 904            | Lehman/Other Div         |
| Proprietary                                      | 893            | 1,037          | 1,034          | 1,081          | 1,086          | 1,082          | 1,040          | 1,099          | 1,072          | 1,082          | 1,106          | 1,125          | 1,134          | 1,149          | 1,094          | 1,026          | 1,028          | 1,046          | 1,086          | 1,070               | 1,070          | Derivative Strategy      |
| Index Arbitrage                                  | 1,384          | 1,386          | 1,386          | 1,389          | 1,376          | 1,292          | 1,263          | 1,286          | 800            | 946            | 949            | 936            | 903            | 876            | 823            | 833            | 899            | 906            | 1,617          | 1,329               | 1,329          | Derivative Strategy      |
| Yield Enhancement                                | 5,846          | 5,892          | 6,027          | 6,206          | 6,310          | 6,295          | 6,326          | 6,446          | 6,447          | 6,206          | 6,699          | 6,546          | 6,629          | 6,620          | 6,660          | 6,660          | 6,660          | 6,660          | 6,660          | 6,660               | 6,660          | Private Equity           |
| Equity Finance Products                          | 10,707         | 10,748         | 10,962         | 10,882         | 11,067         | 11,100         | 11,024         | 10,969         | 10,549         | 10,614         | 10,908         | 10,604         | 10,580         | 10,476         | 10,236         | 10,460         | 10,460         | 10,916         | 10,471         | 10,988              | 10,988         | Private Equity           |
| Structured Transactions                          | 1,546          | 1,544          | 1,544          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558          | 1,558               | 1,558          | Private Equity           |
| Firm Relationship Loans                          | 1,115          | 1,113          | 1,117          | 1,117          | 1,117          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090          | 1,090               | 1,090          | Firm Relationship Loans  |
| Corporate  | 370            | 740            | 731            | 731            | 733            | 732            | 791            | 546            | 548            | 593            | 663            | 599            | 594            | 598            | 598            | 598            | 592            | 592            | 2,263          | 536                 | 536            | Corporate                |
| <b>Total Equities (1)</b>                        | <b>36,989</b>  | <b>37,732</b>  | <b>38,132</b>  | <b>39,809</b>  | <b>39,274</b>  | <b>39,592</b>  | <b>39,890</b>  | <b>38,750</b>  | <b>38,980</b>  | <b>37,864</b>  | <b>37,702</b>  | <b>37,667</b>  | <b>37,619</b>  | <b>37,421</b>  | <b>36,989</b>  | <b>36,768</b>  | <b>36,830</b>  | <b>36,364</b>  | <b>36,157</b>  | <b>37,870</b>       | <b>37,870</b>  |                          |
| Private Equity                                   | 903            | 920            | 923            | 925            | 923            | 925            | 925            | 923            | 923            | 923            | 923            | 923            | 923            | 923            | 923            | 923            | 923            | 923            | 923            | 923                 | 923            | Private Equity           |
| Investment Banking Division                      | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191                 | 191            | Investment Banking       |
| Total Risk Arbitrage                             | 1,515          | 1,537          | 1,556          | 1,582          | 1,580          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583               | 1,583          | Private Equity           |
| Risk Arb / Yield - JV                            | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44                  | 44             | Private Equity           |
| WAM (2)  | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886            | 886                 | 886            | Private Equity           |
| Other Non-Cash Investments                       | 1,880          | 1,878          | 2,486          | 2,357          | 2,288          | 2,254          | 2,279          | 2,200          | 1,800          | 2,040          | 1,796          | 1,850          | 1,791          | 1,715          | 1,736          | 1,632          | 1,632          | 1,632          | 1,632          | 1,632               | 1,632          | Private Equity           |
| Other Assets                                     | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055         | 11,055              | 11,055         | Other Assets             |
| Total Non-Cash                                   | 18,362         | 18,912         | 17,172         | 16,187         | 17,037         | 17,046         | 17,207         | 17,000         | 16,707         | 18,993         | 17,190         | 17,061         | 22,723         | 22,544         | 23,749         | 21,807         | 21,825         | 20,769         | 18,823         | 18,604              | 18,604         |                          |
| <b>Total Net Assets</b>                          | <b>106,287</b> | <b>107,930</b> | <b>107,653</b> | <b>109,634</b> | <b>109,616</b> | <b>109,627</b> | <b>109,370</b> | <b>107,333</b> | <b>107,914</b> | <b>109,118</b> | <b>109,896</b> | <b>109,216</b> | <b>109,893</b> | <b>109,667</b> | <b>108,763</b> | <b>107,963</b> | <b>108,960</b> | <b>106,957</b> | <b>105,184</b> | <b>108,071</b>      | <b>108,071</b> |                          |

(1) Equities reported on a weekly lag.

Daily Gross Average Assets

| Lehman Brothers<br>Balance Sheet<br>Consolidated | 11/3/2003      | 11/4/2003      | 11/5/2003      | 11/6/2003      | 11/7/2003      | 11/10/2003     | 11/11/2003     | 11/12/2003     | 11/13/2003     | 11/14/2003     | 11/17/2003     | 11/18/2003     | 11/19/2003     | 11/20/2003     | 11/21/2003     | 11/24/2003     | 11/25/2003     | 11/28/2003 | 11/27/2003     | Final<br>11/29/2003 | Average        |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------|----------------|---------------------|----------------|
| Governments                                      | 43,531         | 45,062         | 45,984         | 44,830         | 43,548         | 44,327         | 44,284         | 46,594         | 46,359         | 45,674         | 46,050         | 48,041         | 45,944         | 45,852         | 44,847         | 42,882         | 39,822         |            | 37,237         | 35,913              | 44,041         |
| Derivatives                                      | 12,439         | 12,568         | 12,887         | 13,103         | 12,995         | 13,498         | 13,595         | 13,553         | 13,788         | 14,216         | 14,331         | 14,218         | 15,192         | 15,160         | 14,645         | 14,287         | 13,896         |            | 14,603         | 14,431              | 13,863         |
| High Grade Credit                                | 22,766         | 22,630         | 21,720         | 21,212         | 20,049         | 20,730         | 20,600         | 22,475         | 24,521         | 24,477         | 23,618         | 21,846         | 19,423         | 20,803         | 21,404         | 20,086         | 18,677         |            | 18,280         | 17,236              | 21,190         |
| CDO  | 1,278          | 1,326          | 1,327          | 1,297          | 1,369          | 1,423          | 1,425          | 1,728          | 1,608          | 1,605          | 1,676          | 1,713          | 1,514          | 1,510          | 1,531          | 1,730          | 1,677          |            | 1,655          | 1,751               | 1,534          |
| Mortgage Trading                                 | 38,154         | 38,337         | 37,988         | 38,493         | 41,170         | 40,005         | 40,005         | 40,281         | 48,523         | 44,009         | 43,320         | 45,711         | 45,457         | 43,931         | 42,524         | 38,995         | 35,343         |            | 34,788         | 37,914              | 40,767         |
| Real Estate                                      | 21,118         | 21,200         | 21,245         | 21,282         | 22,016         | 22,118         | 22,111         | 22,118         | 21,981         | 21,471         | 21,864         | 21,247         | 20,934         | 20,944         | 20,426         | 20,343         | 20,378         |            | 20,292         | 21,147              | 21,264         |
| Structured Finance                               | 6,432          | 6,588          | 6,527          | 6,515          | 6,524          | 6,533          | 6,536          | 6,487          | 6,534          | 6,697          | 6,741          | 6,513          | 6,518          | 6,584          | 6,230          | 6,312          | 6,258          |            | 6,162          | 6,057               | 6,461          |
| Firm Financing                                   | 171,188        | 175,848        | 186,175        | 190,504        | 188,527        | 188,363        | 190,382        | 192,938        | 188,192        | 182,402        | 193,146        | 188,131        | 191,075        | 190,641        | 178,400        | 175,070        | 161,171        |            | 150,379        | 69,280              | 176,463        |
| High Yield                                       | 2,678          | 2,681          | 2,671          | 2,694          | 2,697          | 2,667          | 2,672          | 2,647          | 2,657          | 2,582          | 2,603          | 2,661          | 2,652          | 2,686          | 2,684          | 2,720          | 2,726          |            | 2,742          | 3,076               | 2,695          |
| Municipal Bonds                                  | 1,939          | 1,716          | 1,396          | 1,721          | 887            | 1,509          | 1,509          | 1,009          | 1,271          | 872            | 1,220          | 1,025          | 1,002          | 924            | 905            | 1,122          | 990            |            | 857            | 954                 | 1,202          |
| Prop/Armco                                       | 84             | 84             | 84             | 83             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 84             | 83             | 83             |            | 82             | 70                  | 83             |
| Derivatives - Munic                              | 2,390          | 2,379          | 2,378          | 2,378          | 2,379          | 2,377          | 2,377          | 2,397          | 2,378          | 2,382          | 2,409          | 2,376          | 2,132          | 2,124          | 2,123          | 2,122          | 2,123          |            | 2,131          | 2,070               | 2,286          |
| Foreign Exchange                                 | 1,996          | 1,996          | 1,996          | 1,996          | 1,996          | 1,996          | 1,996          | 1,999          | 1,999          | 1,999          | 1,999          | 1,999          | 2,079          | 1,906          | 1,906          | 1,906          | 1,906          |            | 1,906          | 1,599               | 1,957          |
| FID Corporate                                    | 8,412          | 8,412          | 8,412          | 8,412          | 8,412          | 8,412          | 8,855          | 8,855          | 8,855          | 8,855          | 8,158          | 8,156          | 8,156          | 8,427          | 7,352          | 6,704          | 6,704          |            | 6,704          | 6,301               | 8,029          |
| FID Corp Loans                                   | 1,144          | 1,131          | 1,119          | 1,113          | 1,087          | 1,053          | 1,054          | 1,051          | 1,047          | 1,079          | 1,083          | 1,058          | 1,067          | 1,065          | 1,051          | 1,043          | 1,043          |            | 1,034          | 1,113               | 1,075          |
| Insurance Products Groups                        | 137            | 136            | 135            | 136            | 135            | 134            | 135            | 134            | 135            | 136            | 142            | 141            | 142            | 142            | 139            | 139            | 138            |            | 134            | 140                 | 137            |
| Trade Date Impact                                | 1,680          | 1,680          | 1,680          | 1,680          | 0              | 0              | 0              | 0              | 0              | 746            | 0              | 0              | 0              | 0              | 0              | 1,836          | 0              |            | 602            | 1,147               | 582            |
| Investment Banking Loans                         | 818            | 804            | 792            | 786            | 744            | 734            | 729            | 726            | 723            | 707            | 712            | 680            | 692            | 702            | 687            | 679            | 677            |            | 670            | 682                 | 723            |
| Unallocated                                      | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              | 0              |            | 0              | 0                   | 0              |
| <b>Total FID</b>                                 | <b>338,185</b> | <b>344,577</b> | <b>354,497</b> | <b>358,237</b> | <b>354,599</b> | <b>355,964</b> | <b>358,350</b> | <b>365,055</b> | <b>371,836</b> | <b>359,993</b> | <b>368,964</b> | <b>365,603</b> | <b>364,030</b> | <b>363,603</b> | <b>346,946</b> | <b>338,008</b> | <b>313,611</b> |            | <b>300,238</b> | <b>220,581</b>      | <b>344,351</b> |
| Cash Products                                    | 820            | 1,004          | 851            | 854            | 878            | 1,081          | 947            | 939            | 848            | 883            | 811            | 816            | 1,080          | 1,104          | 1,021          | 873            | 891            |            | 931            | 872                 | 920            |
| Convertibles Products                            | 2,975          | 2,991          | 2,960          | 2,992          | 2,996          | 3,033          | 3,021          | 3,014          | 3,020          | 3,035          | 3,024          | 2,987          | 2,932          | 2,931          | 2,947          | 2,952          | 2,987          |            | 2,999          | 3,010               | 2,990          |
| Volatility                                       | 12,886         | 13,020         | 13,425         | 13,343         | 13,428         | 13,142         | 13,147         | 13,182         | 13,214         | 13,426         | 13,649         | 13,670         | 13,354         | 13,267         | 13,250         | 13,414         | 13,510         |            | 14,055         | 14,255              | 15,402         |
| Relative Value                                   | 345            | 341            | 365            | 366            | 376            | 416            | 402            | 403            | 416            | 433            | 453            | 458            | 478            | 488            | 488            | 489            | 488            |            | 488            | 472                 | 430            |
| Stat Arb   | 943            | 894            | 926            | 927            | 954            | 946            | 948            | 936            | 937            | 928            | 924            | 924            | 927            | 926            | 927            | 891            | 853            |            | 885            | 881                 | 920            |
| Portfolio  | 559            | 546            | 590            | 909            | 880            | 1,053          | 1,076          | 1,146          | 1,082          | 1,056          | 991            | 989            | 946            | 930            | 929            | 941            | 1,023          |            | 1,066          | 1,100               | 937            |
| Proprietary                                      | 1,121          | 1,170          | 1,169          | 1,198          | 1,203          | 1,189          | 1,176          | 1,194          | 1,205          | 1,218          | 1,227          | 1,266          | 1,264          | 1,273          | 1,217          | 1,182          | 1,162          |            | 1,180          | 1,238               | 1,202          |
| Index Arbitrage                                  | 1,395          | 1,399          | 1,387          | 1,401          | 1,377          | 1,293          | 1,255          | 1,287          | 910            | 948            | 951            | 938            | 904            | 878            | 824            | 834            | 994            |            | 978            | 1,518               | 1,130          |
| Yield Enhancement                                | 11,248         | 10,388         | 10,613         | 10,952         | 10,607         | 10,503         | 10,742         | 10,655         | 10,656         | 10,213         | 10,116         | 9,773          | 9,377          | 9,376          | 9,314          | 8,531          | 8,462          |            | 8,334          | 8,378               | 9,928          |
| Equity Finance Products                          | 27,057         | 26,854         | 27,476         | 27,190         | 27,410         | 26,721         | 27,291         | 26,863         | 26,644         | 26,973         | 27,573         | 28,025         | 27,939         | 27,224         | 26,603         | 26,774         | 26,282         |            | 26,480         | 27,053              | 27,073         |
| Structured Transactions                          | 1,587          | 1,586          | 1,586          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,700          | 1,735          | 1,735          |            | 1,734          | 1,839               | 1,695          |
| Firm Relationship Loans                          | 1,393          | 1,392          | 1,396          | 1,398          | 1,399          | 1,366          | 1,368          | 1,368          | 1,370          | 1,370          | 1,370          | 1,371          | 1,345          | 1,346          | 1,347          | 1,343          | 1,345          |            | 1,343          | 1,034               | 1,351          |
| Corporate  | 1,728          | 2,994          | 2,993          | 2,831          | 2,839          | 3,321          | 3,379          | 2,057          | 2,044          | 2,331          | 2,308          | 2,273          | 2,269          | 2,326          | 2,331          | 2,423          | 2,433          |            | 2,433          | 4,531               | 2,822          |
| <b>Total Equities (1)</b>                        | <b>64,056</b>  | <b>64,548</b>  | <b>65,739</b>  | <b>66,031</b>  | <b>66,048</b>  | <b>65,745</b>  | <b>66,450</b>  | <b>64,943</b>  | <b>64,246</b>  | <b>64,512</b>  | <b>65,098</b>  | <b>65,179</b>  | <b>64,515</b>  | <b>63,769</b>  | <b>62,899</b>  | <b>62,382</b>  | <b>62,165</b>  |            | <b>62,886</b>  | <b>66,181</b>       | <b>64,600</b>  |
| Private Equity                                   | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,035          | 1,129          | 1,129          | 1,129          | 1,129          | 1,129          | 1,129          |            | 1,129          | 1,149               | 1,076          |
| Investment Banking Division                      | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 191            | 153            | 153            | 153            | 153            |            | 153            | 171                 | 180            |
| Total Risk Arbitrage                             | 1,687          | 1,712          | 1,734          | 1,730          | 1,772          | 1,788          | 1,780          | 1,759          | 1,771          | 1,755          | 1,740          | 1,743          | 1,741          | 1,739          | 1,733          | 1,749          | 1,742          |            | 1,736          | 1,684               | 1,742          |
| Risk Arb / Hiyield - JV                          | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 44             | 43             | 43             | 43             | 43             | 43             | 43             | 43             |            | 43             | 43                  | 44             |
| WAM (2)  | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,738          | 6,016          | 6,016          | 5,776          | 5,671          |            | 5,671          | 5,925               | 6,456          |
| Other Non-Core Investments                       | 1,695          | 1,823          | 2,462          | 2,273          | 2,875          | 2,301          | 2,560          | 2,295          | 2,016          | 1,877          | 2,056          | 1,812          | 1,866          | 1,807          | 1,731          | 1,752          | 1,709          |            | 1,654          | 1,823               | 2,010          |
| Other Assets                                     | 13,110         | 13,110         | 13,110         | 13,110         | 13,110         | 13,110         | 13,110         | 13,110         | 13,110         | 13,110         | 13,577         | 13,577         | 19,196         | 19,086         | 20,366         | 18,631         | 18,831         |            | 17,830         | 14,703              | 15,100         |
| Total Non-Core                                   | 24,500         | 24,653         | 25,315         | 25,122         | 25,766         | 25,207         | 25,456         | 25,173         | 24,905         | 24,750         | 25,381         | 25,233         | 30,904         | 29,973         | 31,171         | 29,232         | 29,278         |            | 28,216         | 25,299              | 26,607         |
| <b>Total Gross Assets</b>                        | <b>426,742</b> | <b>433,779</b> | <b>445,551</b> | <b>449,389</b> | <b>446,413</b> | <b>446,916</b> | <b>450,258</b> | <b>455,170</b> | <b>460,787</b> | <b>449,256</b> | <b>459,443</b> | <b>456,015</b> | <b>459,449</b> | <b>457,345</b> | <b>441,016</b> | <b>429,622</b> | <b>405,054</b> |            | <b>391,340</b> | <b>312,061</b>      | <b>435,558</b> |

(1) Equities reported on a one-day lag

|                                     | Novytd<br>2003actual<br>164000 REVENUE<br>TOP SOURCE | Qtr1<br>2008actual<br>164000 REVENUE<br>TOP SOURCE |
|-------------------------------------|--|--|
| 03154 PRINCIPAL INVESTING           | 628,436.53   | 211,625.34   |
| 03001 SUM-GLOBAL RATES              | 1,161,148.37   | 1,000,822.97                                       |
| 03023 SUM-FID CORPORATE             | (443,601.24)   | (104,821.21)                                       |
| 03306 SUM-HIGH YIELD                | 609,345.32   | 441,322.17   |
| 03382 SUM-FOREIGN EXCHANGE          | 127,916.82   | 208,283.55   |
| 03548 SUM-CDO                       | 232,602.35   | 50,526.22  |
| 03584 SUM-MUNICIPALS                | 471,126.17   | (206,148.33)                                       |
| 05003 SUM-PROP TRADING              | 0  | 0  |
| 05022 SUM-REAL ESTATE               | 451,947.35   | (1,226,496.70)                                     |
| 05026 SUM-SECURITIZED PRODUCTS      | 1,369,763.07   | (270,900.32)                                       |
| 08400 SUM-HIGH GRADE CREDIT         | 686,397.64   | 665,928.71   |
| 09047 SUM-ENERGY AGENCY (CLOSED)    | 0  | 0  |
| 09084 SUM-COMMODITIES TRADING       | 0  | 52,433.73  |
| 03679 SUM-FID FRONT OFFICE PRODUCTS | 4,666,645.86   | 610,950.79   |
| 03981 SUM-SALES/RESEARCH/ADMIN      | (507.38)   | 93.99  |
| 03200 SUM-FIXED INCOME              | 4,666,138.48   | 611,044.78   |
| 03183 SUM-EQUITY STRATEGIES         | 115,248.44   | 13,791.25  |
| 03288 SUM-PROPRIETARY TRADING       | 0  | 0  |
| 03289 SUM-GLOBAL CASH PRODUCT       | 0  | 0  |
| 03348 SUM-CONVERTIBLES PRODUCT      | 213,260.82   | 23,256.93  |
| 03776 SUM-INDIA EXECUTION SVCS      | 0  | 2.20   |
| 03855 SUM-GLOBAL VOLATILITY         | 197,455.64   | 352,100.24   |
| 03910 SUM-EQUITIES CORPORATE        | (25,511.49)  | (110,943.28)                                       |
| 05511 SUM-EUROPE EXEC SVCS          | 294,884.02   | 176,734.40   |
| 06932 SUM ASIA EXECUTION SERVICES   | 76,531.82  | 113,163.93   |
| 07773 LIQUID MARKETS AMERICAS       | 758,433.26   | 560,961.59   |
| 03673 SUM-EQUITY FRONT OFFICE PROD  | 1,630,302.50   | 1,129,067.26                                       |
| 03909 SUM-EQUITIES SUPPORT          | (4,029.43)   | (1,799.02)   |
| 03399 SUM-EQUITIES                  | 1,626,273.07   | 1,127,268.24                                       |
| 03999 SUM-NON-CORE                  | (368,154.89)   | 907,172.87   |
| 06322 SUM-DAG                       | 2,968.98   | 42.01  |
| 08097 SUM MORTGAGE CAPITAL DIVISION | 198,252.26   | (246.14)   |
| 09943 SUM-PRIME SERVICES            | 777,913.99   | 656,217.60   |
| 90002 SUM-BANKING DIVISION          | 930,258.60   | 119,028.79   |
| 90004 SUM-INVESTMENT MANAGEMENT     | 187,603.56   | (125,431.29)                                       |
| 90001 SUM-FRONT OFFICE              | 8,649,690.58   | 3,506,722.20                                       |
| 08085 SUM-BPR                       | 0  | 0  |
| 08310 SUM EXEC & ADMIN              | 2.13   | (23.13)  |
| 08967 SUM ROE                       | 0  | 0  |
| 09613 SUM ADMIN                     | 0  | 0  |
| 09629 SUM ROE                       | 0  | 0  |
| 09956 SUM ROE                       | 0  | 0  |
| 90011 SUM CORPORATE A               | (2,698.13)   | (179.25)   |
| 90012 SUM CORPORATE B               | 2.47   | 43.08  |
| 90008 SUM-CORPORATE                 | (2,693.53)   | (159.30)   |
| 00001 TOP STR 50 - RISK MANAGED     | 8,646,997.05   | 3,506,562.91                                       |
|                                     |  | 1,323.64   |

|  | Novytd<br>2003actual<br>164000 REVENUE<br>TOP SOURCE | Qtr1<br>2008actual<br>164000 REVENUE<br>TOP SOURCE |
|--|--|--|
| 09945 SUM-TOTAL FID PRIME SERVICES       | 229,715.28   | 367,046.16   |
| 03422 SUM-FID FUTURES                    | 104,388.89   | 59,854.62  |
| 76814 PM SVCS FID GEN FUTURES FPL AM/00  | 0  | (40,159.22)  |
| 76815 PM SVCS FID GEN FUTURES FPL EUR/00 | 0  | (16,283.10)  |
| 76816 PM SVCS FID GEN FUTURES FPL AS/00  | 0  | (3,198.77)   |
| 05971 SUM-FID STRUCTURED TRANS ASIA      | (1.68)   | 0  |
| 05972 SUM-FID STRUCTURED TRANS EUR       | 39,027.03  | 4,226.34   |
| 05973 SUM-FID STRUCTURED TRANS AMER      | 19,836.13  | 4,054.22   |
| 76406 FID STR TRANS ALLOC AMER/00        | 0  | (4,054.22)   |
| 76407 FID STR TRANS ALLOC EUROPE/00      | 0  | (4,226.34)   |
| 76424 FID STR TRANS ALLOC ASIA/00        | 0  | 0  |
| 05981 FID DERIV PB CES ASIA              | 0  | 0  |
| 05982 FID DERIV PB CES EUR               | 0  | 0  |
| 05983 FID DERIV PB CES AMER              | 0  | 1,121.98   |
| 05984 FID PB CLEARING AND EXEC EUR       | 682.85   | 1,049.34   |
| 05986 FID PB CLEARING AND EXEC AMER      | 4,931.75   | 3,680.37   |
| 76410 FID CLEARING EXEC ALLOC AMER/00    | 0  | (4,802.35)   |
| 76411 FID CLEARING EXEC ALLOC EUR/00     | 0  | (1,049.34)   |
| 76426 FID CLEARING EXEC ALLOC ASIA/00    | 0  | 0  |
| 09945_ALT TOTAL FID PRIME SERVICES       | 398,580.25   | 367,259.70   |
| 03200 SUM-FIXED INCOME                   | 4,666,138.48   | 611,044.78   |
| 03200_ALT FID WITH PRIME SERVICES        | 5,064,718.72   | 978,304.48   |
| 09946 SUM-TOTAL EQ PRIME SERVICES        | 290,579.53   | 287,489.08   |
| 05540 SUM-EQ CM FUTURES                  | 23,206.12  | 32,059.12  |
| 76805 PM SVCS EQ GEN FUTURES FPL AM/00   | 0  | (6,725.53)   |
| 76806 PM SVCS EQ GEN FUTURES FPL EUR/00  | 0  | (11,183.04)  |
| 76807 PM SVCS EQ GEN FUTURES FPL AS/00   | 0  | (14,150.55)  |
| 05330 SUM-STRUCTURED TRANS AMER          | 19,877.04  | 4,073.44   |
| 05331 SUM-STRUCTURED TRANS EUR           | 38,683.35  | 4,313.19   |
| 05332 SUM-STRUCTURED TRANS ASIA          | 0  | 0  |
| 76408 EQ STR TRANS ALLOC AMER/00         | 0  | (4,073.44)   |
| 76409 EQ STR TRANS ALLOC EUROPE/00       | 0  | (4,232.76)   |
| 76425 EQ STR TRANS ALLOC ASIA/00         | 0  | 0  |
| 05985 PB CLEARING AND EXEC AMER          | (13.09)  | 1,240.13   |
| 06624 NB CLEARING AND EXEC AMER          | 5.85   | (0.09)   |
| 06625 PB CLEARING AND EXEC EUROPE        | 0  | 927.39   |
| 06626 PB CLEARING AND EXEC ASIA          | 0  | 300.28   |
| 76412 EQ CLEARING EXEC ALLOC AMER/00     | 0  | (10,508.46)  |
| 76413 EQ CLEARING EXEC ALLOC EUR/00      | 0  | (11,932.76)  |
| 76427 EQ CLEARING EXEC ALLOC ASIA/00     | 0  | (12,495.27)  |
| 06640 STAT ARB CLEARING AMER             | 0  | 9,268.43   |
| 06643 STAT ARB CLEARING EUR              | 7,010.95   | 11,070.13  |
| 06645 STAT ARB CLEARING ASIA             | -  | 12,194.98  |
| 09946_ALT TOTAL EQ PRIME SERVICES        | 379,349.75   | 287,634.27   |
| 03399 SUM-EQUITIES                       | 1,626,273.07   | 1,127,268.24                                       |
| 03399_ALT EQUITIES WITH PRIME SERVICES   | 2,005,622.82   | 1,414,902.51                                       |

|                                     | Qtr1<br>2008actual<br>164000 REVENUE<br>TOP SOURCE | Nowytd<br>2003actual<br>164000 REVENUE<br>TOP SOURCE |
|-------------------------------------|--|--|
| 03154 PRINCIPAL INVESTING           | 211,625.34   | 628,436.53   |
| 03200 SUM-FIXED INCOME              | 611,044.78   | 4,666,138.48   |
| 03399 SUM-EQUITIES                  | 1,127,268.24                                       | 1,626,273.07   |
| 03999 SUM-NON-CORE                  | 907,172.87   | (368,154.89)   |
| 06322 SUM-DAG                       | 42.01  | 2,968.98   |
| 08097 SUM MORTGAGE CAPITAL DIVISION | (246.14)   | 198,252.26   |
| 09943 SUM-PRIME SERVICES            | 656,217.60   | 777,913.99   |
| 90002 SUM-BANKING DIVISION          | 119,028.79   | 930,258.60   |
| 90004 SUM-INVESTMENT MANAGEMENT     | (125,431.29)                                       | 187,603.56   |
| 90001 SUM-FRONT OFFICE              | 3,506,722.20                                       | 8,649,690.58   |
| 08085 SUM-BPR                       | 0  | 0  |
| 08310 SUM EXEC & ADMIN              | (23.13)  | 2.13   |
| 08967 SUM ROE                       | 0  | 0  |
| 09613 SUM ADMIN                     | 0  | 0  |
| 09629 SUM ROE                       | 0  | 0  |
| 09956 SUM ROE                       | 0  | 0  |
| 90011 SUM CORPORATE A               | (179.25)   | (2,698.13)   |
| 90012 SUM CORPORATE B               | 43.08  | 2.47   |
| 90008 SUM-CORPORATE                 | (159.30)   | (2,693.53)   |
| 00001 TOP STR 50 - RISK MANAGED     | 3,506,562.91                                       | 8,646,997.05   |



|                                      | Novytd<br>2003actual<br>164000 REVENUE<br>TOP SOURCE | Qtr1<br>2008actual<br>164000 REVENUE<br>TOP SOURCE |
|--------------------------------------|--|--|
| 03154 PRINCIPAL INVESTING            | 628,436.53   | 211,625.34   |
| 02783 PASS THRU                      | (6,347.75)   | 53,973.28  |
| 03052 SUM-SHORT TERM RATES AMERICAS  | 0  | 30,182.16  |
| 03194 SUM-RATES DERIVATIVES AMERICAS | 292,870.05   | 208,168.68   |
| 03511 SUM-GOVERNMENTS AMERICAS       | 190,226.77   | 95,990.36  |
| 03568 SUM-LIQUID MKTS PROP AMERICA   | 346,444.17   | 248,903.31   |
| 05502 GLOBAL RATES AMERICAS          | 823,193.23   | 637,217.79   |
| 05503 GLOBAL RATES EUROPE            | 236,487.95   | 269,030.84   |
| 05504 GLOBAL RATES ASIA              | 101,467.18   | 94,574.34  |
| 05872 SUM-ROE                        | 0  | 0  |
| 06036 SUM RATES MANAGEMENT AMERICAS  | 0  | 0  |
| 09090 SUM JV PE1 ALLOC (CLOSED)      | 0  | 0  |
| 03001 SUM-GLOBAL RATES               | 1,161,148.37   | 1,000,822.97                                       |
| 03023 SUM-FID CORPORATE              | (443,601.24)   | (104,821.21)                                       |
| 03306 SUM-HIGH YIELD                 | 609,345.32   | 441,322.17   |
| 03382 SUM-FOREIGN EXCHANGE           | 127,916.82   | 208,283.55   |
| 03548 SUM-CDO                        | 232,602.35   | 50,526.22  |
| 03584 SUM-MUNICIPALS                 | 471,126.17   | (206,148.33)                                       |
| 05003 SUM-PROP TRADING               | 0  | 0  |
| 05022 SUM-REAL ESTATE                | 451,947.35   | (1,226,496.70)                                     |
| 02752 SP LATAM                       | 0  | (106.51)   |
| 07737 SP - INDIA                     | 0  | (0.02)   |
| 08262 SUM ROE                        | 0  | 0  |
| 03144 SUM ABS-SECONDARY-AMERICAS     | 4,453.60   | (22,609.44)  |
| 03620 SUM SPECIAL OPPORTUNITIES GP   | 17,768.86  | 4,481.08   |
| 05353 SUM RESEARCH AMERICAS          | (5.94)   | -  |
| 05354 SUM ABS-NEW ISSUE-AM           | 54,078.75  | 3,814.66   |
| 05356 SUM CONDUIT FINANCE-AMERICAS   | -  | 0  |
| 05373 SUM INSURANCE SOLUTIONS AMER   | 20,990.45  | 3,381.82   |
| 05378 SUM HUDSON CASTLE              | 0  | 0  |
| 05716 SUM NON RESIDENTIAL TRADING    | 18,843.88  | (10,617.41)  |
| 05790 SUM HOUSE-ADMIN                | 4,516.68   | 488.69   |
| 05791 SUM HOUSE-RISK                 | (20,636.41)  | (39,534.91)  |
| 05792 SUM ABS DERIVATIVES            | (4,232.18)   | 391,625.44   |
| 06807 SUM STRUC FINANCE AMER ALLOC   | 0  | (2.01)   |
| 07223 SUM CAMPUS DOOR - TRADING      | 0  | 0  |
| 08813 SUM-TRADING AMERICAS           | 1,130,652.50   | (582,347.76)                                       |
| 08814 SUM-MT SALES AMERICA           | (82.74)  | (0.02)   |
| 08815 SUM-MT RESEARCH AMER           | (61.33)  | 0.40   |
| 09615 SUM STF AMERICA HOUSE          | 0  | 0  |
| 05027 SUM-SP AMERICAS-TRADING        | 1,226,286.13   | (251,319.48)                                       |
| 06413 SUM-SP AMERICAS-ORINATION      | 0  | 54,959.46  |
| 09127 SUM SP - AMERICAS              | 1,226,286.13   | (196,360.02)                                       |
| 09139 SUM SP - EUROPE                | 121,201.87   | (84,201.80)  |
| 09210 SUM SP - ASIA                  | 22,275.07  | 9,768.03   |
| 05026 SUM-SECURITIZED PRODUCTS       | 1,369,763.07   | (270,900.32)                                       |
| 08400 SUM-HIGH GRADE CREDIT          | 686397.6389  | 665928.7102  |
| 09047 SUM-ENERGY AGENCY (CLOSED)     | 0  | 0  |
| 09084 SUM-COMMODITIES TRADING        | 0  | 52433.72849  |
| 03679 SUM-FID FRONT OFFICE PRODUCTS  | 4666645.857  | 610950.7949  |
| 03981 SUM-SALES/RESEARCH/ADMIN       | -507.38167   | 93.98775   |
| 03200 SUM-FIXED INCOME               | 4666138.475  | 611044.7827  |
| 03183 SUM-EQUITY STRATEGIES          | 115248.4352  | 13791.2524   |
| 03288 SUM-PROPRIETARY TRADING        | 0  | 0  |
| 03289 SUM-GLOBAL CASH PRODUCT        | 0  | 0  |
| 03348 SUM-CONVERTIBLES PRODUCT       | 213260.8151  | 23256.92897  |
| 03776 SUM-INDIA EXECUTION SVCS       | 0  | 2.19504  |
| 03773 SUM-VOLATILITY ASIA            | 41628.79675  | 149389.4329  |
| 05822 SUM-ROE                        | 0  | 0  |
| 02608 STRUCTURED VOL LATAM           | 0  | 0  |

|                                       |   |              |   |              |
|---------------------------------------|---|--------------|---|--------------|
| 05886 SUM-STRUCTURED VOL AMERICAS     |   | 82217.45367  |   | 6573.0224    |
| 05889 SUM-PROPRIETARY VOL AMERICAS    | 0 |              | 0 |              |
| 08969 SUM ROE                         | 0 |              | 0 |              |
| 05884 SUM-VOLATILITY AMERICAS         |   | 82217.45367  |   | 6573.0224    |
| 05885 SUM-VOLATILITY EUROPE           |   | 73609.39353  |   | 196120.6627  |
| 09203 SUM-VOLATILITY INDIA            | 0 |              |   | 17.12653     |
| 03855 SUM-GLOBAL VOLATILITY           |   | 197455.6439  |   | 352100.2446  |
| 03910 SUM-EQUITIES CORPORATE          |   | -25511.49414 |   | -110943.2794 |
| 05511 SUM-EUROPE EXEC SVCS            |   | 294884.0234  |   | 176734.3956  |
| 06932 SUM ASIA EXECUTION SERVICES     |   | 76531.82006  |   | 113163.9349  |
| 02538 LQM LAT AM                      | 0 |              |   | 7.06873      |
| 03393 SUM-AMERICAS CASH               |   | 548092.7984  |   | 197424.0868  |
| 03985 SUM-FLOW VOLATILITY AMERICAS    |   | 89922.44054  |   | 222989.0383  |
| 03991 SUM-PORTFOLIO AMERICAS          |   | 88700.06776  |   | 62629.32959  |
| 25438 HEDGE FUND FACILITATION/00      |   | 6359.59463   |   | -1016.29016  |
| 27938 AMER (LONDON COMMISSION)/183    |   | 1333.96632   |   | 753.84364    |
| 52042 FACILITATION LBF/61             | 0 |              | 0 |              |
| 77441 RELATIVE VALUE AMER-AMER        |   | 4913.18064   |   | -48.44157    |
| 77951 HEDGE FUND FACIL AMER-AMER      |   | 3812.99387   |   | 7284.24265   |
| 05523 SUM-EVENT DRIVEN FACILITATION   |   | 16419.73546  |   | 6973.35456   |
| 05524 SUM-RISK ARB AMERICAS           |   | 4515.80304   |   | -6301.05857  |
| 05525 SUM-RELATIVE VALUE AMER ALLOC   | 0 |              | 0 |              |
| 05561 SUM-EVENT DRIVEN SALES AMER     |   | -10.74449    |   | 1317.47825   |
| 05714 SUM-AVERAGE PRICE ACCOUNT       | 0 |              |   | -3.07953     |
| 05519 SUM-EVENT DRIVEN-AMERICAS       |   | 20924.79401  |   | 1986.69471   |
| 03546 SUM AMM                         |   | 10793.15985  |   | 58691.67463  |
| 05811 SUM HIGH FREQUENCY TRADING      | 0 |              |   | -176.0011    |
| 07774 SYSTEMATIC TRADING ALLOC        | 0 |              | 0 |              |
| 09193 SUM DELTA ONE - NQUANTS         | 0 |              |   | 17409.69619  |
| 74505 ROE-QUANTITATIVE TRADING AMER/  | 0 |              | 0 |              |
| 09192 SUM-SYSTEMATIC TRADING AMER     |   | 10793.15985  |   | 75925.36972  |
| 70210 ROE LIQUID MARKETS AMERICAS/000 | 0 |              | 0 |              |
| 07773 LIQUID MARKETS AMERICAS         |   | 758433.2605  |   | 560961.5878  |
| 03673 SUM-EQUITY FRONT OFFICE PROD    |   | 1630302.504  |   | 1129067.26   |
| 03909 SUM-EQUITIES SUPPORT            |   | -4029.43344  |   | -1799.02385  |
| 03399 SUM-EQUITIES                    |   | 1626273.071  |   | 1127268.236  |
| 03999 SUM-NON-CORE                    |   | -368154.8875 |   | 907172.8683  |
| 06322 SUM-DAG                         |   | 2968.9784    |   | 42.01336     |
| 08097 SUM MORTGAGE CAPITAL DIVISION   |   | 198252.2609  |   | -246.13538   |
| 09943 SUM-PRIME SERVICES              |   | 777913.9925  |   | 656217.6049  |
| 90002 SUM-BANKING DIVISION            |   | 930258.5996  |   | 119028.7904  |
| 90004 SUM-INVESTMENT MANAGEMENT       |   | 187603.5604  |   | -125431.2937 |
| 90001 SUM-FRONT OFFICE                |   | 8649690.578  |   | 3506722.204  |
| 08085 SUM-BPR                         | 0 |              | 0 |              |
| 08310 SUM EXEC & ADMIN                |   | 2.12891      |   | -23.12774    |
| 08967 SUM ROE                         | 0 |              | 0 |              |
| 09613 SUM ADMIN                       | 0 |              | 0 |              |
| 09629 SUM ROE                         | 0 |              | 0 |              |
| 09956 SUM ROE                         | 0 |              | 0 |              |
| 90011 SUM CORPORATE A                 |   | -2698.13268  |   | -179.25365   |
| 90012 SUM CORPORATE B                 |   | 2.47232      |   | 43.0844      |
| 90008 SUM-CORPORATE                   |   | -2693.53145  |   | -159.29699   |
| 00001 TOP STR 50 - RISK MANAGED       |   | 8646997.047  |   | 3506562.907  |